

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

June 30, 2003

IN RE:

**NOTICE OF TRANSFER OF CONTROL OF UNIVERSAL
ACCESS, INC.**

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**DOCKET NO.
03-00315**

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate, and Director Pat Miller of the Tennessee Regulatory Authority (the "TRA" or "Authority"), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on June 2, 2003 for consideration of the *Notice of Transfer of Control of Universal Access, Inc.* (the "Notice") filed by Universal Access, Inc. ("Universal") and CityNet Telecommunications, Inc. ("CityNet" and collectively the "Parties") for TRA approval required by Tenn. Code Ann. § 65-4-113(a) & (b) to transfer the authority to provide telecommunications services.

Tenn. Code Ann. § 65-4-113

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain TRA approval to transfer its authority to provide utility services (also known as a "certificate of public convenience and necessity" or "CCN"). Tenn. Code Ann. § 65-4-113(a) reads as follows:

No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the TRA shall consider an application for transfer of authority, in pertinent part, as follows:

Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Notice

In the *Notice*, which was filed on April 30, 2003, the Parties outline the transaction which will result in an indirect transfer of control of Universal to CityNet. Because the transaction will also result in an indirect transfer of Universal's CCN to provide operator and resold telecommunications services granted by the TRA on January 9, 2001 in Docket No. 00-00105, the Parties are seeking the approval of the TRA.

CityNet is proposing to purchase a 55% ownership interest in Universal Access Global Holding, Inc. ("Holdings"), the parent company of Universal, through the acquisition of previously unissued ownership shares.¹ CityNet is a privately-held, Delaware corporation building dark fiber networks and point-to-point dark fiber connections, typically within a city's sewer system or water mains for easier access. After completion of the transaction, Universal will still be owned by Holdings but the ultimate ownership of both companies will be CityNet, which will then possess ultimate ownership

¹ Holdings, itself, does not hold any regulatory licenses in Tennessee or in any other state.

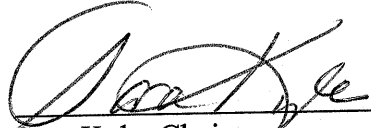
of Universal's Tennessee CCN. However, Universal will remain the holder of the CCN and will still be the provider of services. The transaction will be seamless to Universal customers and will result in no changes in the terms, rates, or conditions of service. The Parties propose to serve the public interest through this transaction by enhancing Universal's operational flexibility and long-term financial viability, thereby, promoting competition.


The June 2, 2003 Authority Conference

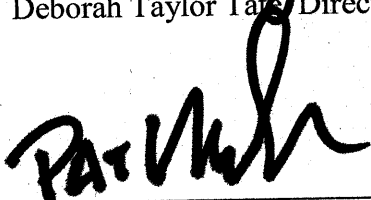
At the June 2, 2003 Authority Conference, the Directors voted unanimously to approve the transaction resulting in the indirect transfer of Universal's authority to provide telecommunications services.

IT IS THEREFORE ORDERED THAT:

The indirect transfer of authority to provide telecommunications services as described herein is approved.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Pat Miller, Director